

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 287 - SB 1545**

March 25, 2011

**SUMMARY OF BILL:** Requires a mechanic's license be obtained for erecting, constructing, installing, altering, servicing, testing, or maintaining elevators or related conveyance devices. Requires businesses engaged in related business to obtain an elevator contractor license. Authorizes license fees to be set by the Elevator and Amusement Device Safety Board. Creates an emergency elevator mechanic license. Requires all persons seeking to renew a license to complete continuing education requirements. Requires each elevator contractor to submit proof of insurance to the Board. Requires all relevant tests be performed by a licensed elevator mechanic. Authorizes the Board to suspend or revoke licenses and to assess civil penalties. Effective July 1, 2011 for the purposes of establishing and collecting fees in order to fund the act; for all other purposes, an effective date of July 1, 2012.

**ESTIMATED FISCAL IMPACT:**

**Increase State Revenue – \$48,500/FY11-12 and Biennially Thereafter  
\$6,000/FY12-13 and Biennially Thereafter**

**Increase State Expenditures – \$53,100/FY11-12 and Biennially Thereafter  
\$38,100/FY12-13 and Biennially Thereafter**

**Assumptions:**

- A \$100 license fee for a mechanic license and \$500 fee for a contractor license, renewable every two years.
- An increase in biennially recurring state revenue beginning in FY11-12 from licensing fees of \$27,500 [(\$100 mechanic license fee x 200 mechanics) + (\$500 contractor license fee x 15 entities)].
- The Department of Labor and Workforce Development (DLWD) estimates that approximately 20 tests will be given to applicants each year at a fee of \$300 per test for an increase in recurring state revenue of \$6,000.
- DLWD will require one additional office staff position at a recurring expenditure of \$38,071 (\$26,500 salary + \$11,571 benefits).
- One-time computer programming will be handled within the resources of DLWD.
- An increase in biennially recurring state expenditures of \$15,000 for 50 state maintenance workers to maintain certification and continuing education requirements at a cost of \$300 per worker (\$300 x 50 workers). An equal increase in state revenue of \$15,000.

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**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

/jaw